

CHAPTER 1**GENERAL REIMBURSEMENT PROCEDURES
AND SUPPORTING DOCUMENTATION****0101 OVERVIEW**

010101. **Purpose.** This chapter supplements the standards for financial accounting for receivables (Chapter 3, Volume 4, “Accounting Policy and Procedures,” of this Regulation) and for budgetary accounting for reimbursements (Chapter 15, Volume 3 “Budget Execution - Availability and Use of Budgetary Resources” of this Regulation). It provides guidance on the amounts that shall be recouped when DoD Components perform work or sell property within the Department of Defense, to other U.S. Government agencies and to private parties. This chapter does not provide authority to sell to private parties. Specific legal authority must be identified to make such sales.

010102. General

A. The “Project Order Law” (Title 41, United States Code, section 23) and the “Economy Act” (Title 31, United States Code, section 1535) contain legal authority and requirements for one U.S. Government entity to perform work for another. Chapter 2, “Project Orders” and Chapter 3, “Economy Act Orders” of this Volume provides policy on the use of these orders within the Department. DoD working capital funds are established by Title 10, United States Code, section 2208 as one means of encouraging one DoD activity to perform work, render services, or provide supplies for another, based on the “Project Order Law” or on the “Economy Act.”

B. The price to be charged for goods and services furnished by the Department depends on whether that good or service is provided to, or for the benefit of, a DoD Component, a non-DoD Federal agency, a private party, or a foreign military sales customer. Therefore, the ordering DoD Component activity that requisitions or orders a good or service shall inform the performing DoD entity if the requisitioned goods or services are for the subsequent sale to, or benefit of, a customer outside of the Department.

C. This chapter provides guidance on the costing of reimbursements that should be obtained as a result of providing authorized services or materiel. It is applicable unless a specific DoD issuance authorizes alternative reimbursement policies. The most significant of these alternative reimbursement policies are as follows:

1. Volume 11B of this Regulation establishes the DoD policy for the recovery of cost for products and services provided by a DoD Working Capital Fund activity.

2. Volume 13 of this Regulation establishes the DoD accounting policy for Nonappropriated Fund instrumentalities.

3. Volume 15 of this Regulation establishes the DoD policy for the Foreign Military Sales of defense articles and defense services to friendly foreign governments and international organizations.

4. DoD Directive 1015.6, "Funding of Morale, Welfare, and Recreation Programs," establishes funding policy for morale, welfare, and recreation programs.

5. DoD Directive 3025.12, "Military Assistance for Civil Disturbances," provides the DoD policy for employment of military resources in the event of civil disturbances.

6. DoD Directive 3025.13, "Employment of Department of Defense Resources in Support of the United States Secret Service," provides the DoD policy for the use of DoD resources in support of the United States Secret Service.

7. DoD Instruction 4000.19, "Interservice and Intragovernmental Support," provides the DoD policy for interservice and intragovernmental support agreements.

8. DoD Directive 5525.5, "DoD Cooperation with Civilian Law Enforcement Officials," provides the DoD policy for reimbursable support provided to civilian law enforcement officials.

0102 POLICY AND PROCEDURES

010201. Disposition of Collections

A. Only when specifically authorized by law may collections be returned to the appropriation that procured the services or materiel being sold.

B. Collections for unfunded depreciation, unfunded civilian retirement, and interest shall be deposited into the General Fund of the U.S. Treasury as miscellaneous receipts unless otherwise provided for by this chapter or other DoD issuances. Disposition of collections for Foreign Military Sales shall be in accordance with Volume 15 of this Regulation.

010202. Billing Standard. DoD Components performing work or services on a customer order shall bill the requesting DoD Component, other federal agency, or the public for earned reimbursements (performance of work or services, payments to contractors, or delivery from inventory) within 30 calendar days after the month in which performance occurred. The payment due date shall not be more than 30 calendar days from the date of the invoice. Bills rendered shall not be subject to audit by the customer prior to payment.

010203. General Rules for Determining Amounts to be Reimbursed. The following rules shall be followed by DoD Components when determining amounts to be collected as reimbursements unless other specific reimbursable rules have been established in this volume or by

alternative reimbursement policies (see paragraph 010102.C., above). An order placed or agreement made under the Economy Act obligates an appropriation of the ordering entity. The amount obligated is deobligated to the extent that the entity filling the order has not incurred obligations, before the end of the period of availability of the appropriation (Title 31, United States Code, section 1535). The tables provided in addendum 1 and addendum 2 to this chapter provide a summarization of the rules for determining the amounts to be collected by appropriated fund and DoD Working Capital Fund activities.

A. Direct Civilian Labor

1. The cost of direct civilian labor incurred in the performance of a service for, or the furnishing of materials to, another entity shall be reimbursed unless the performing entity has been provided appropriated funds directly to it for that purpose. Otherwise, the performing entity would be penalized to the extent that its funds are used to finance the cost of performing another entity's work, while the ordering entity's appropriations are augmented to the extent that they now may be used for some other purpose.

2. Civilian labor performed for the benefit of other DoD Components, other Federal agencies, and the public shall be charged at actual hourly pay rates multiplied by the number of actual hours worked or assigned (detailed). Full-time assignments (details) shall be charged using annual rates. Otherwise, an hourly rate of 1/2087, as applicable, of the annual rate shall be used and a leave and holiday factor of 18 percent of pay cost added.

3. Direct civilian labor includes consultants and direct hire foreign nationals employed by DoD activities.

4. Civilian personnel fringe benefit rates will be determined in accordance with Chapter 6, Appendix C, "Civilian Personnel Fringe Benefit" of this volume.

5. Foreign national reimbursement rates are determined based on local pay agreements. Periodic reviews must be made to determine if the U.S. Government must make a contribution for severance pay or retirement pay.

B. Direct Military Labor

1. As a rule, the applicable military personnel appropriations shall fund the cost of direct (and indirect) military labor incurred in the performance of a service for, or the furnishing of materials to, another DoD entity. Therefore, since a direct appropriation is provided for that purpose, the cost of military labor shall not be charged to another DoD entity except for the cost of military personnel assigned to DoD Working Capital Fund activities. DoD Working Capital Fund activities shall be reimbursed by their customers for the cost of military labor as prescribed in Volume 11B of this Regulation.

2. Military labor shall be charged to non-DoD organizations on the basis of the actual hours worked or assigned (detailed). Assignments (details) shall be charged

using the annual military composite standard pay rates determined by the Military Departments. The military composite standard pay rates will be computed in accordance with Chapter 6, Appendix I, “Military Composite Standard Pay” of this volume.

3. Military fringe benefits (that is, other personnel support cost) shall be charged to non-DoD organizations on the basis of a percentage of military pay costs and billed as part of direct costs. The applicable percentage will be in accordance with Chapter 6, Appendix I, “Military Composite Standard Pay” of this volume.

C. Temporary Duty Costs (TDY). Travel costs of DoD civilian employees and military personnel incurred in performance of a reimbursable work order shall be charged as a direct cost when such travel can be identified specifically to the order. Costs of supplies and other directly relatable expenses also are chargeable.

D. DoD Personal Property and Inventory

1. DoD Working Capital Fund Materiel. Inventory issues and operating materials and supplies consumed from DoD Working Capital Fund stocks are reimbursable unless specific legal authority precludes reimbursement. Transfers to DoD Components, other Federal agencies, private parties and contractors performing work for a DoD Component or other Federal agency, shall be priced at standard prices (see Volume 11B of this Regulation).

2. Reutilization and Marketing Materiel (Surplus)

a. The disposition of materiel by a Defense Reutilization and Marketing Office shall be in accordance with DoD 4160.21-M, “Defense Reutilization and Marketing Manual.” The accounting treatment is set forth in Volume 11B and Chapter 7, “Other Assets” in Volume 4, “Accounting Policy and Procedures,” of this Regulation.

b. The general rules for the disposition of proceeds from the sale of scrap or excess personal property shall be in accordance with Chapter 5, “Disposition of Proceeds from Sales of DoD Excess and Surplus Personal Property” of this volume.

3. Non-DoD Working Capital Fund Materiel. The pricing of personal property for non-DoD Working Capital Fund materiel is dependent upon whether the item(s) being transferred or sold (a) will be transferred to another DoD Component and (b) would normally be replaced. This decision shall be based on a review of the approved acquisition objective. If the sale will reduce assets required to meet the approved acquisition objective, then replacement is required.

a. Issues Within or to Another DoD Component. Issues within or to another DoD Component shall be on a nonreimbursable basis, but will require an accounting entry to reflect the transfer from the losing to the gaining activity. The accounting entry shall reflect original acquisition cost and any accumulated depreciation.

b. Issues to Another Federal Agency or Private Parties. Issues to other federal agencies or private parties shall be as follows:

(1) Materiel to be Replaced.

(a) Materiel, including equipment, for which replacement (i.e., similar, but not exact) or replacement in kind (i.e., exact) is required, shall be transferred or sold at the estimated replacement cost, including the contract or production costs of the article less an adjustment for age and condition of the item being sold. This price is determined as follows:

1 Determine the normal useful peacetime life of the item or equipment to be sold.

2 Determine the percentage of useful life remaining on the item.

3 Apply the percentage developed in paragraph D.3.(1)(a)(2), above, to the estimated (or actual) cost of the replacement item. The resultant amount is the base cost to be used in the sale price calculation. Under no condition shall the sale price be lower than the scrap value plus the cost of the last major overhaul or outfitting accomplished within 24 months before the sale.

(b) If it is imperative that the item be replaced through accelerated procurements and normal pricing policies will not adequately recoup replacement costs, an exception to DoD pricing policies shall be requested from the Under Secretary of Defense (Comptroller), Office of the Deputy Comptroller (Program/Budget). Normally, the exception would be to either add a replacement factor or delay final pricing until the contract for replacement items is financially complete.

(2) Materiel Not to be Replaced. Material, including equipment, shall be transferred or sold to other federal agencies and private parties at their original acquisition cost minus an adjustment for age and condition of the item being sold. Reimbursements from Foreign Military Sales transactions from the sale of assets will be in accordance with Chapter 7, Volume 15 of this Regulation.

E. Contracts

1. Contract costs incurred for contracts awarded as part of a reimbursable agreement shall be billed to the benefiting organization.

2. Government-furnished materiel shall be billed in addition to contract costs in accordance with paragraph 010203.D., above.

3. If the contract is provided to meet the requirements of a non-Federal Government organization, the contractor shall be required to pay rent (at fair market value) to the Department for the use of plant or production equipment utilized in manufacturing the item being sold.

4. The collection of interest on a late payment is applicable to a contract to a non-Federal government organization that is required to pay a recoupment charge in accordance with Volume 15 of this Regulation. The contract recoupment clause 252.270-7000, required by Defense Federal Acquisition Regulation Supplement, provides for the established charge to be paid to the appropriate DoD focal point within 30 days following delivery to, or acceptance of the item by, a purchaser, whichever comes first. This is the due date. The contract interest clause 52.232-17, mandated by the "Federal Acquisition Regulation," provides that all amounts that become payable under the contract shall bear simple interest from the due date until paid, unless paid within 30 days of becoming due.

5. Contract administration charges shall be charged to other federal agencies and private parties, in accordance with statutory or policy requirements. Contract administration costs are not to be charged within a DoD Component or to another DoD Component when funding for such costs are included in the mission funding of the performing DoD entity.

6. DoD personnel services in support of contracts shall be costed in accordance with paragraphs 010203.A. and 010203.B., above.

F. Accessorial Expenses

1. Accessorial costs represent certain expenses incident to issues, sales, and transfers of materiel. Accessorial costs include costs incurred for packing, crating, and handling (PCH); transportation; and port loading and unloading. PCH expenses are costs incurred for sales or shipments of property. Accessorial expenses may be incurred by the DoD for direct delivery of items from contractor facilities or by DoD Components for items furnished from DoD stocks. Accessorial expenses incurred by contractors for direct delivery items are normally included in the contract price of the property. If accessorial costs of direct delivery items are billed separately by the contractor, they shall be reimbursed in accordance with this section. Accessorial expenses incurred by one DoD Component are not reimbursable from another DoD Component when funding for such costs are included in the mission funding of the performing DoD entity.

2. Unless otherwise provided by law or regulation, accessorial expenses shall be billed to the following:

a. Non-DoD Federal departments, agencies, or instrumentalities.

b. Non-Federal entities, including DoD contractors.

c. Nonappropriated funds when property is transported for DoD morale, welfare, and recreation activities unless reimbursement has been waived by DoD Directive 1015.6, "Funding of Morale, Welfare, and Recreation Programs."

3. Accessorial charges shall be reimbursed by non-DoD activities at the actual cost incurred. Accessorial charges for Foreign Military Sales are prescribed in Chapter 7, Volume 15 of this Regulation.

G. Asset Use Charge. A charge for the use of DoD assets (facilities and equipment, or both) is required to recoup depreciation and interest on investment. Amounts collected shall be returned to the U.S. Treasury as miscellaneous receipts, unless otherwise provided for by statute or other DoD guidance. (Asset use charges are not assessed for Foreign Military Sales, see Volume 15 of this Regulation). A four percent charge, developed by the Office of the Secretary of Defense through cost-finding techniques, may be used or the following calculations shall be performed:

1. Depreciation. Depreciation expense represents the amortization of the cost of depreciable property, plants, and equipment as an operating expense over the period in which assets are expected to provide benefits. Depreciation shall be charged using the straight-line method of depreciation. The calculation of depreciation is illustrated in Table 1-1, below.

2. Interest on Investment in Assets. Both DoD Working Capital Fund and non-DoD Working Capital Fund activities shall include in reimbursement billings to private parties an amount to recognize the interest on investment in fixed assets when such assets are acquired or manufactured for the purpose of, or prepared for use in, providing materiel to private parties. The calculation of interest on investment is illustrated in Table 1-2, below.

H. Repair and Maintenance. When repair and/or maintenance of items occurs, costs from a cost accounting system or, in its absence, equivalent costs developed through cost-finding techniques shall be billed.

1. Labor Cost. The cost shall be computed in accordance with paragraphs 010203.A. and 010203.B., above.

2. Materiel and Supplies. The cost shall be computed in accordance with paragraph 010203.D., above.

3. Transportation and Related Costs. The cost shall be computed in accordance with paragraph 010203.F., above.

EXAMPLE OF STRAIGHT-LINE METHOD OF DEPRECIATION

Acquisition cost of the asset	\$1,000,000
Less: Residual value (scrap)	<u>\$ 100,000</u>
Depreciable basis	<u>\$ 900,000</u>

Estimated useful life in years 20

The annual depreciation expense of \$45,000 is computed by dividing the \$900,000 depreciable basis by the 20-year useful life.

Hourly charge is computed by dividing the annual depreciation expense of \$45,000 by 2,080 (standard yearly hours) to arrive at \$21.63 per hour.

Multiply the hours used to complete the customer order by the hourly charge. For example, 500 hours x \$21.63 = \$10,815 depreciation expense to be charged.

Table 1-1**EXAMPLE OF INTEREST ON INVESTMENT CALCULATION**

Acquisition cost of the asset	\$1,000,000
Less: Accumulated depreciation (5 years at \$45,000 per year)	<u>\$ 225,000</u>
Net Book Value	<u>\$ 775,000</u>

Annual interest (10 percent per annum) \$ 77,500

Hourly charge is computed by dividing the annual interest of \$77,500 by 2,080 (standard yearly hours) to arrive at \$37.26 per hour.

Multiply the hours used to complete the customer order by the hourly charge. For example, 500 hours x \$37.26 = \$18,630 interest on investment to be charged.

Table 1-2

4. Overhead Costs. These costs shall be computed in accordance with paragraph 010203.J., below.

I. Leased or Loaned DoD Equipment. When determining the charge for leased or loaned equipment, the following elements shall be billed:

1. Depreciation is not applicable to federal agencies unless the billing activity is a working capital fund. Depreciation shall be based on cost-finding techniques for sales to private parties unless actual rates are known. Calculations shall be in accordance with subparagraph 010203.G.1., above.

2. Interest on investment in assets shall be computed in accordance with subparagraph 010203.G.2., above.

3. Value of equipment not returned to the owning DoD Component shall be a sale to the borrowing organization. This sale shall be priced in accordance with paragraph 010203.D., above.

4. Accessorial expenses shall be recognized in accordance with paragraph 010203.F., above.

5. Repair costs to restore equipment or property to its condition at the time leased or loaned shall be collected from the using organization. The amounts may be based on either actual job order cost accumulations or estimates of the cost to be incurred based upon past repair and maintenance experience for similar equipment. The amounts collected shall be returned to the appropriation that financed the repair and maintenance. Direct labor costs shall be computed in accordance with paragraphs 010203.A. and 010203.B., above. Materiel and supply costs shall be computed in accordance with paragraph 010203.D., above. Overhead shall be computed in accordance with paragraph 010203.J., below.

J. Overhead

1. Overhead is sometimes referred to as indirect or general and administrative costs, which consist of costs that cannot readily, or directly, be identified in the performance of a customer order. Examples of such costs are supervision, office supplies, utility costs, etc. If an organization has a significant amount of reimbursable effort, such costs are accumulated in a cost pool and allocated to customers. In the absence of a cost accounting system, applicable costs may be estimated.

2. Overhead charges normally are not applied to reimbursable customer orders received from appropriated fund activities within the Department. However, appropriated fund activities are to charge for overhead when sales are consummated with other federal agencies and private parties. DoD working capital fund activities shall be reimbursed by their customers for overhead charges as prescribed in Volume 11B of this Regulation.

010204. DOCUMENTATION STANDARDS

A. General. Orders must be supported by documented evidence of a formal offer and acceptance between the grantor and grantee of the order. (See DoDI 4000.19, “Interservice and Intragovernmental Support” for additional guidance.) In the absence of such documentation, there can be no assurance that there is a meeting of the minds on the material or services to be provided nor that payment is required. The principal documents used by the Department are:

1. The memorandum of understanding (MOU).
2. The memorandum of agreement (MOA).
3. The universal order format.

B. Preparation Standards. The following standards apply to the preparation of these documents:

1. MOU or MOA. These documents normally are used when a certain unquantifiable type of support is required over a period of time, usually a 1-year duration. The MOU or MOA establishes the estimated total yearly requirement. Calls then are placed against the MOU or MOA as required support is quantified.

a. The minimum essential information that shall be included in an MOU or MOA is listed below. A model of an MOA is illustrated as addendum 3 to this chapter.

(1) The authority for entering into the MOU or MOA, such as the “Economy Act” (31 U.S.C. 1535) or the “Project Order Law” (41 U.S.C. 23). See Chapter 8, “Standards for Recording Commitments and Obligations,” in Volume 3 of this Regulation.

(2) A description of the material or services required.

(3) The established dollar limits and any authority to exceed applicable limits without specific approval from the ordering activity.

(4) The financing source or fund citation.

(5) The delivery requirements.

(6) The payment provisions.

(7) The duration of the agreement.

(8) The form in which specific orders against the MOU or MOA will be placed, for example, telephone calls, memoranda, or supplementary formal orders.

b. The MOU or MOA should be coordinated with appropriate program, comptroller, and legal offices. This is a fundamental control technique to demonstrate and document the legality and propriety of the arrangement.

c. When a DoD activity is the ordering organization, any MOU or MOA shall contain language that clearly sets forth the fact that the document is subject to the availability of funds unless the agreement itself is to be an obligating document. If the agreement is to be an obligating document, there must be a certification of fund availability and the obligation must be recorded promptly.

2. Universal Order Format. The universal order format is a way to document the financial terms of the offer and acceptance when specific services or quantities are known. Similar formats or computer-produced equivalents that contain all of the required information may also be used. This is an all-purpose format that may be issued on a reimbursable or direct citation basis, or both. It is a specific and definite request for material, supplies, equipment, or services. This format does not replace DD Form 1144, "Support Agreement" or DD Form 448, "Military Interdepartmental Purchase Request." The universal order format may serve as an "Economy Act Order," a "Project Order," or an order based upon other statutory authority. Performance of the work and/or services requested must be accomplished in accordance with the statutes and regulations governing the type of order. A sample of the universal order format and instructions for preparation are illustrated in addendum 4 to this chapter.

a. The universal format contains essential data such as the following:

(1) The funds citation using the current applicable accounting classification.

(2) A document number, assigned by the requesting activity, that uniquely identifies the document and provides an audit trail between the order, posting to the accounting system and posting to other automated information systems.

(3) The dollar value of the order and any flexibility allowed in executing the order.

(4) Detailed description of work or services to be performed or items to be delivered.

(5) The expected completion date for the order or request.

(6) Documentation of the names of the officials responsible for both the offer and acceptance to meet the requirements established for the administrative control of appropriations.

(7) Funds expiration date that indicates when the funds must be obligated by the performing activity. Funds not actually obligated by the expiration date shall be returned to the requesting activity. An amendment shall be prepared by the performing activity to return excess funds.

b. Any restrictive statements relating to the reimbursable or direct citation portion shall be included when deemed appropriate.

c. Amendments to the order may be prepared if funds are not sufficient to let a contract or perform the requested services. Amendments can only be accepted by the requesting activity.

d. The requesting activity shall record the total value of the order as a commitment in its financial records. If the order is accepted on a reimbursable basis, obligations shall be recorded upon receipt of written acceptance from the performing activity. If the order is on a direct fund citation basis, obligations shall be recorded upon receipt of the contract and attachments from the contracting activity. (Additional guidance can be found in Volume 3, Chapter 8, “Standards for Recording Commitments and Obligations” of this Regulation.)

ADDENDUM 1 APPROPRIATED FUNDS CROSS REFERENCE OF PRICING ELEMENTS BY TYPES OF SALES					
	TEXT REFERENCES	WITHIN DOD COMPONENT	TO ANOTHER DOD COMPONENT	TO ANOTHER FED. AGENCY	TO PRIVATE PARTIES
1. <u>Sale of Services</u>					
a. Direct Civilian Labor					
(1) Payroll Costs	010203.A.1.-2.	N/A	Actual	Actual	Actual
(2) Leave and Holiday Costs	010203.A.2.	N/A	DoD Factor	DoD Factor	DoD Factor
(3) Funded Fringe Benefit Cost	010203.A.4.	N/A	DoD Factor	DoD Factor	DoD Factor
(4) Unfunded Fringe Benefit Cost	010203.A.4.	N/A	N/A	N/A	OPM Rate
b. Indirect Civilian Labor	<u>NOTE:</u> Indirect Civilian Labor is included in overhead rate.				
(1) Payroll Costs	010203.J.	N/A	Actual	Actual	Actual
(2) Leave and Holiday Costs	010203.J.	N/A	DoD Factor	DoD Factor	DoD Factor
(3) Funded Fringe Benefit Cost	010203.J.	N/A	DoD Factor	DoD Factor	DoD Factor
(4) Unfunded Fringe Benefit Cost	010203.J.	N/A	N/A	N/A	OPM Rate
c. Direct Military Labor					
(1) Payroll Cost	010203.B.1.-2.	N/A	N/A	Composite Rate	Composite Rate
(2) Leave and Holiday Costs	010203.B.2.	N/A	N/A	DoD Factor	DoD Factor
(3) Other Personnel Support Cost Factors	010203.B.3.	N/A	N/A	DoD Factor	DoD Factor
d. Indirect Military Labor	<u>NOTE:</u> Indirect Military Labor is included in overhead rate.				
(1) Payroll Cost	010203.J.	N/A	N/A	Composite Rate	Composite Rate
(2) Leave and Holiday Costs	010203.J.	N/A	N/A	DoD Factor	DoD Factor
(3) Funded Fringe Benefit Cost	010203.J.	N/A	N/A	DoD Factor	DoD Factor
e. Temporary Duty Costs for Direct Labor	010203.C.	Actual	Actual	Actual	Actual

ADDENDUM 1 APPROPRIATED FUNDS CROSS REFERENCE OF PRICING ELEMENTS BY TYPES OF SALES					
	TEXT REFERENCES	WITHIN DOD COMPONENT	TO ANOTHER DOD COMPONENT	TO ANOTHER FED. AGENCY	TO PRIVATE PARTIES
f. Use of DoD Assets in Computing the Performance of Services					
(1) Asset Use Charge	010203.G.	N/A	N/A	N/A	DoD Factor
(2) Depreciation	010203.G.1.	N/A	N/A	N/A	DoD Factor
(3) Interest on Investment in Assets	010203.G.2.	N/A	N/A	N/A	DoD Factor
2. <u>Sale of DoD Personal Property</u>					
a. Replacement Required	010203.D.3.b.(1)	TRANSFER ACCOUNTING ENTRY REQUIRED		Replacement Cost	Replacement Cost
b. Replacement Not Required	010203.D.3.b.(2).			Acquisition Cost	Acquisition Cost
c. Indirect Supplies	010203.J.	Overhead Rate	Overhead Rate	Overhead Rate	Overhead Rate
d. PCH	010203.F.	N/A	N/A	Actual	Actual
e. Transportation	010203.F.	N/A	N/A	Actual	Actual
f. Nonrecurring Cost Recoupment Charge	Volume 15/ DoDD 2140.2	N/A	N/A	N/A	DoD Charge
3. <u>Sales of Material and Services Procured for Customers</u>					
a. Contract Cost	010203.E.	Actual	Actual	Actual	Actual
b. Contract Administration Expense	010203.E.5.	N/A	N/A	Actual	Actual
c. PCH	010203.F.	Actual	Actual	Actual	Actual
d. Transportation	010203.F.	Actual	Actual	Actual	Actual
e. Nonrecurring Cost Recoupment Charge	Volume 15 DoDD 2140.2	N/A	N/A	N/A	DoD Charge

ADDENDUM 1 APPROPRIATED FUNDS CROSS REFERENCE OF PRICING ELEMENTS BY TYPES OF SALES					
	TEXT REFERENCES	WITHIN DOD COMPONENT	TO ANOTHER DOD COMPONENT	TO ANOTHER FED. AGENCY	TO PRIVATE PARTIES
4. <u>Miscellaneous Sales</u>					
a. Lease and/or Loan Equipment					
(1) Depreciation	010203.I.1.	N/A	N/A	N/A	DoD Factor
(2) Interest on Investment in Assets	010203.I.2.	N/A	N/A	N/A	DoD Factor
(3) Value of Equipment not Returned	010203.I.3.	N/A	N/A	Replacement Factor	Replacement Factor
(4) PCH	010203.I.4.	N/A	N/A	Actual	Actual
(5) Transportation	010203.I.4.	N/A	N/A	Actual	Actual
b. Repairs to Restore Equipment and/or Property to Original Condition	010203.I.5				
(1) Direct Labor	010203.A 010203.B	See Sale of Services	See Sale of Services	See Sale of Services	See Sale of Services
(2) Material and/or Supplies	010203.D	See Sale of DoD Personal Property	See Sale of DoD Personal Property	See Sale of DoD Personal Property	See Sale of DoD Personal Property
(3) Overhead	010203.J.	N/A	N/A	Overhead Rate	Overhead Rate

ADDENDUM 2 DoD WORKING CAPITAL FUNDS AND OTHER REVOLVING FUNDS CROSS REFERENCE OF PRICING ELEMENTS BY TYPES OF SALES					
	TEXT REFERENCES	WITHIN DOD COMPONENT	TO ANOTHER DOD COMPONENT	TO ANOTHER FED. AGENCY	TO PRIVATE PARTIES
1. <u>Sale of Services</u>					
a. Direct Civilian Labor					
(1) Payroll Costs	010203.A.1.-2.	Actual	Actual	Actual	Actual
(2) Leave and Holiday Costs	010203.A.2.	Actual	Actual	Actual	Actual
(3) Funded Fringe Benefit Cost	010203.A.4.	Actual	Actual	Actual	Actual
(4) Unfunded Fringe Benefit Cost	010203.A.4.	N/A	N/A	N/A	OPM Rate
b. Indirect Civilian Labor	<u>NOTE:</u> Indirect Civilian Labor is included in overhead rate.				
(1) Payroll Costs	010203.J.	Actual	Actual	Actual	Actual
(2) Leave and Holiday Costs	010203.J.	Actual	Actual	Actual	Actual
(3) Funded Fringe Benefit Cost	010203.J.	Actual	Actual	Actual	Actual
(4) Unfunded Fringe Benefit Cost	010203.J.	N/A	N/A	N/A	OPM Rate
c. Direct Military Labor					
(1) Payroll Cost	010203.B.1.-2.	Civilian Equiv for DoD Working Capital Funds; N/A for Others	Civilian Equiv for DoD Working Capital Funds; N/A for Others	Composite Rate	Composite Rate
(2) Leave and Holiday Costs	010203.B.2.	N/A	N/A	DoD Factor	DoD Factor
(3) Other Personnel Support Cost Factors	010203.B.3.	N/A	N/A	DoD Factor	DoD Factor
d. Indirect Military Labor	<u>NOTE:</u> Indirect Military Labor is included in overhead rate.				
(1) Payroll Cost	010203.J.	Civilian Equiv for DoD Working Capital Funds; N/A for Others	Civilian Equiv for DoD Working Capital Funds; N/A for Others	Composite Rate	Composite Rate

ADDENDUM 2 DoD WORKING CAPITAL FUNDS AND OTHER REVOLVING FUNDS CROSS REFERENCE OF PRICING ELEMENTS BY TYPES OF SALES					
	TEXT REFERENCES	WITHIN DOD COMPONENT	TO ANOTHER DOD COMPONENT	TO ANOTHER FED. AGENCY	TO PRIVATE PARTIES
(2) Leave and Holiday Costs	010203.J.	N/A	N/A	DoD Factor	DoD Factor
(3) Other Personnel Support Cost Factors	010203.J.	N/A	N/A	DoD Factor	DoD Factor
e. Temporary Duty Costs for Direct Labor	010203.C.	Actual	Actual	Actual	Actual
f. Use of DoD Assets					
(1) Asset Use Charge	010203.G.	N/A	N/A	N/A	DoD Factor
(2) Depreciation	010203.G.1.	Actual	Actual	Actual	Actual
(3) Interest on Investment in Assets	010203.G.2.	N/A	N/A	N/A	DoD Factor
2. <u>Sale of DoD Personal Property</u>					
a. Inventory Items	010203.D.1.	Standard Price	Standard Price	Standard Price	Standard Price
b. Non-Inventory Items	010203.D.1.	Standard Price	Standard Price	Standard Price	Standard Price
c. Reutilization and Market Items (surplus)	010203.D.2.	<u>TRANSFER ACCOUNTING ENTRY REQUIRED.</u>			High Bid
d. Associated Costs					
(1) PCH	010203.F.	Actual	Actual	Actual	Actual
(2) Transportation	010203.F.	Actual	Actual	Actual	Actual
(3) Nonrecurring Cost Recoupment Charge	Volume 15 DoDD 2140.2	N/A	N/A	N/A	DoD Charge
3. <u>Sales of Material and Services Procured for Customers</u>					
a. Contract Cost	010203.E.	Actual	Actual	Actual	Actual
b. Contract Administration Expense	010203.E.5.	Actual	Actual	Actual	Actual
c. PCH	010203.F.	Actual	Actual	Actual	Actual
d. Transportation	010203.F.	Actual	Actual	Actual	Actual

ADDENDUM 2 DoD WORKING CAPITAL FUNDS AND OTHER REVOLVING FUNDS CROSS REFERENCE OF PRICING ELEMENTS BY TYPES OF SALES					
	TEXT REFERENCES	WITHIN DOD COMPONENT	TO ANOTHER DOD COMPONENT	TO ANOTHER FED. AGENCY	TO PRIVATE PARTIES
e. Nonrecurring Cost Recoupment Charge	Volume 15 DoDD 2140.2	N/A	N/A	N/A	DoD Charge
4. <u>Miscellaneous Sales</u>					
a. Lease and/or Loan Equipment					
(1) Depreciation	010203.I.1.	Actual	Actual	Actual	Actual
(2) Interest on Investment in Assets	010203.I.2.	N/A	N/A	N/A	DoD Factor
(3) Value of Equipment not Returned	010203.I.3.	Acquisition Cost	Acquisition Cost	Replacement Cost	Replacement Cost
(4) PCH	010203.I.4.	Actual	Actual	Actual	Actual
(5) Transportation	010203.I.4.	Actual	Actual	Actual	Actual
b. Repairs to Restore Equipment and/or Property to Original Condition	010203.I.5				
(1) Direct Labor	010203.A 010203.B	See Sale of Services	See Sale of Services	See Sale of Services	See Sale of Services
(2) Material and/or Supplies	010203.D	See Sale of DoD Personal Property	See Sale of DoD Personal Property	See Sale of DoD Personal Property	See Sale of DoD Personal Property
(3) Overhead	010203.J.	Overhead Rate	Overhead Rate	Overhead Rate	Overhead Rate

ADDENDUM 3
MEMORANDUM OF AGREEMENT (MOA)
BETWEEN THE
U.S. (INSERT AGENCY NAME) AND THE U.S. DEPARTMENT OF DEFENSE
TO REIMBURSE THE DEPARTMENT OF DEFENSE
FOR _____

I. Purpose. This agreement establishes the financial arrangements between the (identify the other Federal agency) and the Department of Defense to reimburse the Department of Defense for the (identify the program).

II. Description of Services to be Provided. The Department of Defense is to maintain the capability to respond on an as required basis to the (identify the other Federal Agency) requirements for (describe the required support) and to meet the needs of the (identify the Federal Agency activity being supported) that has limited (identify the support) capabilities.

III. Basis for Reimbursement

A. This agreement is entered into under the provisions of (identify the authority, such as the "Economy Act") and provides for reimbursable orders of approximately \$_____. This MOA is subject to annual modification as necessary, to provide for reimbursement of costs as described below in providing the requested support. The amounts in respective reimbursable orders may not be exceeded by more than (display the ceiling by either a percentage or dollar value) without written approval by the (other Federal Agency).

B. Support furnished under the terms of this agreement shall be for the costs incurred by the Department of Defense in providing the services.

IV. Procedural Arrangements

A. Estimating. The Department of Defense continuously will review its actual costs incurred in providing the requested support to ascertain if they are in line with the annual cost estimates. The Department of Defense will promptly advise the (other Federal agency) of any required revisions to the value of this agreement.

B. Ordering. The (other Federal agency) will provide a completed order for specific material or services to the Department of Defense for acceptance and the identification of the (other Federal agency) accounting data for resulting billings (unless a check is provided in advance). The delivery requirements of the (other Federal agency) will be stated in the order.

ADDENDUM 3

C. Billing. The DoD Component will bill the (other federal agency) on a monthly basis by submitting Standard Form (SF) 1080 (Voucher for Transfers Between Appropriations) and including a breakdown of actual cost elements being reimbursed. The voucher shall be sent or delivered to the (other Federal agency billing address) within 30 days after the month in which the transaction occurred.

D. Payment of Bills. The (other Federal agency) paying office will forward check payment(s), along with a copy of billed invoice(s) to appropriate addressees listed on billing invoices within 30 days of the date of invoice, unless the SF 1080 is identified as no check required. Bills rendered shall not be subject to audit in advance of payment.

V. Effective Date. This agreement is effective _____ and will terminate on _____.

(Other Federal Agency)

(DoD Component)

ADDENDUM 4 UNIVERSAL ORDER FORMAT

UNIVERSAL ORDER FORMAT		2. DOCUMENT NUMBER:		3. DATE PREPARED:	
1. THE ORDER IS ISSUED AS A (CHECK APPLICABLE BOX(ES)) <input type="checkbox"/> ECONOMY ACT ORDER (31 U.S.C. 1535) <input type="checkbox"/> PROJECT ORDER (41 U.S.C. 23) <input type="checkbox"/> OTHER REIMB ORDER (CITE STATUTE) _____ <input type="checkbox"/> DIRECT CITATION				4. ORDER COMPLETION DATE:	
				5. AMENDMENT NUMBER:	
6. FROM: REQUESTING ACTIVITY (AGENCY, ADDRESS)			7. POINT OF CONTACT: (NAME, OFFICE SYMBOL, PHONE)		
8. TO: PERFORMING ACTIVITY (AGENCY, ADDRESS)			9. MAIL BILLINGS TO:		
10. FUNDS FOR THIS ORDER ARE PROPERLY CHARGEABLE TO THE FOLLOWING ACCOUNTING DATA. AVAILABLE FUNDS ARE SUFFICIENT TO COVER THE ESTIMATED TOTAL COST OF THIS ORDER. FUNDS EXPIRE ON _____					
a APPROPRIATION	b LIMIT/ SUBHEAD	c SUPPLEMENTAL ACCOUNTING CLASSIFICATION	d ACCTG STATION	e AMOUNT	
f. TOTAL THIS DOCUMENT:					
g. CUMULATIVE TOTAL:					
11. THE ITEMS REQUESTED <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT INCLUDED IN THE INTERSERVICE SUPPORT PROGRAM AND REQUIRED INTERSERVICE SCREENING <input type="checkbox"/> HAS <input type="checkbox"/> HAS NOT BEEN ACCOMPLISHED.					
11a. REMARKS: (ATTACH CONTINUATION SHEET IF MORE SPACE IS REQUIRED)					
12. DESCRIPTION OF ORDER AND OTHER INSTRUCTIONS: (ATTACH CONTINUATION SHEET IF MORE SPACE IS REQUIRED)					
a REF NO	b ITEM NO	c SCHEDULE OF SUPPLIES/SERVICES	d QUANTITY ORDERED/ ACCEPTED	e UNIT	f UNIT PRICE
h. TOTAL ESTIMATED AMOUNT: (Total Block 12 g.)					
13. PROVIDED THROUGH REIMBURSEMENT			14. PROCURED BY DIRECT CITATION		
a REF NO.	b ITEM NO.	c ESTIMATED AMOUNT	a REF NO.	b ITEM NO.	c ESTIMATED AMOUNT
15. FUNDS PROVIDED THROUGH REIMBURSEMENT: (Total Block 13c)					
16. PROCURED BY DIRECT CITATION: (Total Block 14c)					
17. I CERTIFY THAT THE FUNDS CITED ARE PROPERLY CHARGEABLE FOR THE ITEMS REQUESTED.					
_____ AUTHORIZING OFFICIAL (NAME, TITLE AND SIGNATURE)					_____ (DATE)
18. THIS REQUEST AND/OR ORDER IS ACCEPTED ON A <input type="checkbox"/> REIMBURSABLE <input type="checkbox"/> DIRECT CITE BASIS AND THE ITEMS WILL BE PROVIDED IN ACCORDANCE HERewith. THIS REQUEST AND/OR ORDER IS NOT ACCEPTED <input type="checkbox"/> (SEE REMARKS).					
_____ ACCEPTING OFFICIAL (NAME, TITLE AND SIGNATURE)					_____ (DATE)
19. POINT OF CONTACT: (NAME, OFFICE SYMBOL, PHONE NO.)					

ADDENDUM 4**PREPARATION INSTRUCTIONS FOR THE UNIVERSAL ORDER FORMAT**

Instructions for the preparation of the “universal order format” are as follows: The requesting activity shall complete blocks 1. through 12. and 17. The performing activity shall complete blocks 13. through 16., 18 and 19.

<u>Block No.</u>	<u>Title and/or Description</u>
1	<u>Type of Order</u> - Indicate the type of order being processed. The order may be on a reimbursable or direct fund cite basis, or both. The order may serve as an “Economy Act Order” (31 U.S.C. 1535), a “Project Order” (41 U.S.C 23), or an order based upon other statutory authority. Performance of the work or services, or both, must be accomplished in accordance with the applicable statutes.
2	<u>Document Number</u> - Document numbers are generally assigned by the requesting activity. These numbers are for accountability and control purposes. It uniquely identifies the document and is the number under which the funds cited in blocks 10, 15, and 16, are to be recorded (that is, committed, obligated, expended, etc.).
3	<u>Date Prepared</u> - The date on which the form was prepared by the originator.
4	<u>Order Completion Date</u> - The date by which the work or services being requested must be completed by the performing activity, or physical delivery of material. An extension or change of the completion date, if required, shall be requested in writing and is subject to the approval of the requesting activity cited in block 6. An amendment to the original order shall be prepared by the requesting activity if extension or change is approved.
5	<u>Amendment Number</u> - The number assigned by the originating activity to uniquely identify each amendment to the original (basic) document.
6	<u>From</u> - The name and address of the activity requesting the work or services.
7	<u>Point-of-Contact</u> - The name of an individual at the requesting activity who can be contacted if any questions should arise regarding the order. A telephone number and office symbol also should be identified. This individual generally is not the same as the authorizing official in block 17.

- 8 To - The name and address of the activity being requested to perform the work or services.
- 9 Mail Billings To - The name and address of the organization or activity to whom the billings are to be mailed when the universal order format is issued external to DoD Components. Billings normally shall be submitted by the performing activity on a monthly basis unless specifically stated in block 12.
- 10 Accounting Data
- a. Enter the funds expiration date. This date indicates when the funds must be obligated by the performing activity. Funds not actually obligated by the expiration date shall be returned to the requesting activity.
- b. The accounting classification data code structure shall be the one currently in effect. (If the accounting classification code structure is other than DoD, such as that of a civil agency, this block may be altered to accommodate the required form.)
- c. The fund balances should be sufficient to cover the total estimated amount for the subject order. Block 10.f. represents the total amount of funds authorized for the particular document or amendment. Block 10.g. represents the cumulative total amount of funds authorized, including previous amendments, as of the date of that particular document and/or amendment. In the case of a “basic” document, the amounts appearing in blocks 10.f. and 10.g. will be identical.
- 11 Interservice Support Program - Indicate the applicable box pertaining to items requested.
- 11a Remarks - Use for additional information as required.
- 12 Description of Work to be Performed and Other Instructions - Enter a specific, definite and complete description of work encompassed by the order, each item of supplies, material, equipment, or services required. If additional space is required, a continuation sheet may be used. Add the estimated amounts in block 12.g. and enter the amount in block 12.h. The amount in block 12.h. should be the same as blocks 10.f. and/or 10.g.
- 13 Provided through Reimbursement: (Estimated Amount) - Indicate the items and corresponding amounts shown in block 12., which will be completed through reimbursement. This block should be completed by the performing activity.

- 14 Procured by Direct Citation: (Estimated Amount) - Indicate the items and corresponding amounts shown in block 12, which will be completed through direct citation. This block should be completed by the performing activity.
- 15 Funds Provided through Reimbursement - Add the amounts in block 13.c. and enter in this block. The sum of blocks 15 and 16 shall equal the amount shown in block 12.h. Block 12.h. shall equal block 10.f. Amounts authorized in this block are not subject to the Antideficiency Act (Title 31, United States Code, section 1517) unless specifically indicated on the face of the document.
- 16 Procured by Direct Citation - Add the amounts in block 14.c. and enter in this block. The sum of blocks 15 and 16 shall equal the amount shown in block 12.h. Block 12.h. shall equal to block 10.f. The amount in this block constitutes a limitation under Title 31, United States Code, section 1517 when the purchasing office or contracting activity is a separate entity from the requesting activity.
- 17 Authorizing Official - Enter the name, title, and signature of the individual in the requesting activity authorized to issue the document. The date the authorizing official actually signed the document also must be included. This date is the basis for determining the accounting month under which the commitment or consignment is to be recorded.
- 18 Accepting Official - Written acceptance of this order is required and is accomplished by completing this block. Enter the name, title, and signature of the individual in the performing activity authorized to accept the document.
- 19 Point-of-Contact - The name of an individual at the performing activity who can be contacted if any questions should arise regarding the order. A telephone number and office symbol should also be provided. This individual generally is not the same as the accepting official in block 18.